



GEORGE CYRIL ALLEN

*Walter Bird*

## GEORGE CYRIL ALLEN\*

1900-1982

GEORGE ALLEN was born and bred in the Midlands. Born in Kenilworth, he then lived and went to school in Coventry, and was first a student, then a lecturing research fellow, at Birmingham University. There he met his wife, a fellow student who came from a Birmingham family. George's first, notable, book was about industry in Birmingham and the Black Country.

He was a much-loved only child. His father had come from Dagnall in Buckinghamshire where *his* father had been the local schoolmaster until he left to start a building business in London. George's paternal grandmother came from a fairly prosperous farming family in Hampshire, but after her early death her husband, by then a carpenter, made a bad second marriage and George's father left home. George's mother came from Harpenden and her relations were mostly farmers and country tradesmen; her father was a baker. Harpenden and a great-uncle's farm at Dunstable were extremely happy holiday places for George. He remained very close to two unmarried Harpenden aunts until they died after the Second World War. George's father had lived with them, supported by George, after his wife died in her late 60s.

The marriage certificate of George's parents gave the occupation of his father as coachman and of his mother as dressmaker. But by the time George was conscious of the world, his father had somehow or other become knowledgeable enough about the new motor industry to get a job at the Humber factory as a dispatch foreman. His sad experiences had made him an introvert, cautious and easily hurt but also sensitive to the injustices done to others. George's mother, however, was quick, clever, enterprising, and outward looking. Both parents inculcated in George an enduring love of books from the time he could read, which grew into a devouring appetite. The job of George's father was not well paid, but George was never conscious of any financial anxieties in his boyhood. His early life, it seems, was one of almost unclouded happiness and it endowed him with a capacity for affection, friendship, and enjoyment of life which survived deep sorrow and endured to the end of his life.

\* Note: all publications referred to are listed at the end of this memoir and the numbers in the text refer to the numbers in the list.

George always recalled his first six or seven years at Kenilworth most vividly. Then the family lived at Coventry but on the edge of the country. At first George hated the city but grew to love it, especially the medieval parts, and later, cycling with friends, he roamed far afield in the Midlands. He was educated, helped by a tiny scholarship, at King Henry VIII School, Coventry, which was then small in numbers but had excellent teaching and a wide curriculum. His report for his last term at school shows that at 18 he was studying Divinity, English, History, French, German, Latin, Roman History, Arithmetic, Algebra, Geometry, Trigonometry, Chemistry, Physics, and Drawing. George always remained grateful for the staff's powerful encouragement of his intellectual interests, and he corresponded with several members of staff until they died. The history master set him on his career by directing him to Toynbee's *Industrial Revolution in the 18th Century* and a textbook in economics; thereafter he was determined to read this subject when he left school. In 1916 he proposed in a school debate a motion in favour of a decimal currency! He shone at games as well as work. Besides being captain of the school, he was captain of cricket and football and victor ludorum.

By the time he left school he already had the well-furnished and humane mind that was to be one of the characteristic virtues in his intellectual, as well as his personal, life. He was reading widely and deeply—Shakespeare, much poetry, novelists such as Dickens, Thackeray, Scott, Fielding, and Sterne, essayists such as Peacock, together with Ruskin, Carlyle, Shaw, Chesterton, Belloc, H. G. Wells, the Guild Socialists, and French literature. Gibbon's *Decline and Fall* was to be a close companion throughout his life. This education also made him a passionate advocate for life of accuracy, precision, graceful lucidity and style in writing and speech, even on abstruse subjects.

Growing up in Coventry he was very aware of the burgeoning engineering industry. He passed many small motor factories on his way to school, and the father of one friend was a partner in the Triumph Motor Cycle Company and the father of another ran White and Popper, the firm that produced the original motors for William Morris. During the First World War this firm ran shell-making and shell-filling factories where George spent two summer vacations working in the drawing office and the factory.

The school wanted George to try for one of its scholarships at St John's College, Oxford, and in 1918, when he joined the Royal Air Force as a cadet, he trained in Oxford, which he loved. But the scholarship would not have covered the costs even with his local

authority exhibition, and his parents could not have afforded the extra expense. He sat instead for a history scholarship at Birmingham University for which he was examined by A. L. Smith, the Master of Balliol, who, at the viva, also urged an Oxford career. George was to regard the decision to go to Birmingham rather than Oxford as crucial to his whole life. For, he said, if he had not gone there he would not have met Nell, his wife, and would thus have missed the most important thing in his life—forty-three years of ‘a most blessed marriage’. He also reflected that if he had not been one of Sir William Ashley’s pupils in the Faculty of Commerce at Birmingham he would not have been given the opportunity of a teaching post in Japan, which was the beginning of one of his main intellectual interests and an important source of lifelong friendships.

The Faculty of Commerce, which was to provide almost the first university work in commerce in the British Empire,\* had been an important ingredient of the 1900 Charter which transformed Mason’s College into the University of Birmingham. It was designed to produce successful businessmen and embodied a carefully thought-out course of principles and practical knowledge with a Marshallian-type economics combining theory and application and a humanistic spirit applied to utilitarian studies. J. G. Smith, Professor of Finance, told students to read Marshall’s *Industry and Trade* before his *Principles*. William Ashley, the first holder of the Chair, had, after teaching at Oxford, been Professor of Political Economy and Constitutional History at Toronto and then, at Harvard, the first holder of the first Chair of Economic History in the English-speaking world. (George remarked on the strangeness of his non-election to the British Academy.) Ashley’s faculty at Birmingham had strong links with other faculties such as Modern Languages and Engineering. It was a sad commentary that it attracted more European and Middle and Far Eastern, than local Midland, students. The Japanese, ever eager as George said to discover what others had to teach them, were the single largest group of foreign students, and in 1923 the Mitsui company, impressed by the training, had endowed a Chair of Finance in the faculty.†

George travelled daily to the University from his parents’ home

\* The University of Adelaide preceded it by six months.

† An interesting account of the faculty is to be found in Barbara M. D. Smith, *Education for Management: Its Conception and Implementation in the Faculty of Commerce at Birmingham Mainly in the 1900s* (Research Memorandum, No. 37, Centre for Urban and Regional Studies, University of Birmingham).

in Coventry. It was the life-pattern denigrated as 9 to 5 university life in the discussions of University expansion after the Second World War. Yet it is clear from George's correspondence that he led a very full university social life and made exceptionally strong friendships, especially with the Faculty of Commerce staff and students—friendships which only ended many years later with deaths. His closest bond, apparent in over fifty years' correspondence, was with Allan Ashley, who became Professor of Economics at Toronto.

After his first class B.Comm. degree in 1921 George spent a year lecturing to classes under the Workers' Educational Association and to engineering apprentices. He retained his school enthusiasm for Guild Socialism, and years later, when his views were very different, he was embarrassed and amused by an ageing man who publicly acknowledged his lifelong debt to George for having set his thinking on the right lines of Guild Socialism. Concurrently he wrote an M.Comm. thesis, 'Restrictive Practices in the Copper Mining Industry', based on the Boulton and Watt papers in Birmingham Public Library. Ashley found it impressive enough to send to Keynes who asked the author to write a paper on the subject for the *Economic Journal* where it appeared in 1923.<sup>27</sup> He also asked George to apply for a vacant college fellowship at Cambridge. The other candidate (whose career sank into obscurity) was successful—to George's subsequent gratitude because he accepted instead a post in Japan.

From the 1900s the Japanese Government founded a number of Commercial High Schools (Koto Shogyo Gakko) modelled on the German Handelshochschulen, and frequently, when they wanted an English lecturer, they asked Ashley for recommendations. In 1922 Ashley strongly urged George to accept such a two-year appointment at the new Nagoya High School\* in central Japan and he did. Thus began his continuous sixty-year study of Japanese economic affairs and indeed of Japan as a nation. Apart from his professional interests he delighted, from the moment he landed there, in the Japanese scene and the personal relationships. In the last days of his life he completed a book *Appointment in Japan*<sup>14</sup> recording his memories of, and deep attachment to, Japan. When he arrived in 1922, Japan was a country of peasant agriculture and small workshops with a fringe of large-scale industry and much of the infrastructure already well developed.

\* After the Second World War the High Schools were merged into other institutions. The Nagoya School became the Faculty of Economics in the new University of Nagoya.

He glimpsed at once, he said, the ancient, medieval, early modern, and modern worlds. With the only overpowering presentiment of disaster in his life he quitted a hotel the day before it slid into a lake in the 1923 earthquake. Professor Tsuneo Iida, Professor of Economics at Nagoya, has written that among the post-war Japanese and British books about Japan *Appointment in Japan* is the most outstanding; the author is 'cool in his view and yet very warm in his heart'.

For the next sixty years (except for the war years) George kept in close touch with his old Nagoya students, many of whom went on to occupy leading posts in banking, industry, and commerce, and with the alumni society as well as with many new Japanese friends. He visited Japan again in 1936, 1954, 1967, 1979, and 1980, and it was a special joy to him to receive in 1961 the Order of the Rising Sun and in 1980 the Japan Foundation Award. (When I visited Japan in 1984 I found the feelings of honour and affection for George most moving.)

In his study of the Japanese economy during his years at Nagoya George had devoted particular attention to, and had contributed regularly to Japanese journals on, questions of price levels, international exchange, banking, and currency. In 1925 Keynes gladly accepted for the *Economic Journal* an article entitled 'The Recent Currency and Exchange Policy of Japan'.<sup>29</sup> Monetary problems did not, however, remain a major interest.

Ashley, writing of George after his return to England, noted the ripening of his mental powers. He was struck by Allen's 'remarkable qualities and particularly by a certain fineness of thought and expression. He is singularly mature in character, interesting but balanced in speech. He will master the literature of a subject and yet retain his independence.' Ashley felt that George was one of the few young men he had come across in many years of experience of whom he could feel sure that they would obtain as economists positions of distinction and influence. On his return, and for the rest of his life, George was to write, often almost in parallel, books, pamphlets, and articles on the Japanese economy and on British industry. All his work was to reflect his conviction that the present is unintelligible without analysis of the past.

In 1925 Cadbury Brothers gave money to the Faculty of Commerce at Birmingham University for a survey of the industrial development of Birmingham and district in the last fifty years. George was appointed Research Fellow in Industrial History for the purpose (from 1926 he was also a University Lecturer) and his first 'pair' of books demonstrated that personal productivity, so

high in quantity and quality which was to last into his 70s and 80s. *Modern Japan and Its Problems*<sup>1</sup> was published in 1928 and *The Industrial Development of Birmingham and the Black Country 1860–1927*<sup>2</sup> in 1929.

Both books were important and innovatory in their fields. Hitherto there had been very few attempts to link an interpretation of Japan's national character or social organization with an analysis of Japan's population problems and political, educational, financial, and industrial systems. *Modern Japan and Its Problems*, in doing this, provided a profound and prescient study which merits reading today by those interested in 'the Japanese miracle'. *The Industrial Development of Birmingham and the Black Country* remains one of the most valuable works of industrial history, especially as it deals with a whole region rather than with an individual firm or industry. George delighted in industrial visits—the equivalent of Tawney's 'strong boots' for agricultural history—and he talked at length with many local industrialists, some of whom became friends. He was always to be skilful in using living evidence alongside documents and statistical analysis. This research gave him above all an interest in the dynamics of industrial change—the rise and decay of industries—and led him to the general conclusion that policy should be directed towards speeding up inevitable transformation and easing the process of transition rather than 'towards supporting by artificial means the decaying members of the industrial structure'. This was to remain through his life the core of his views on industrial policy.

George's achievement was formidable by the age of 28, when he became the first holder of the Chair of Economics and Commerce at the young Hull University College. He went there in 1929 just before his wedding to Eleanora (Nell) Shanks, one of the Birmingham fellow students with whom he had renewed friendships on his return from Japan. She had been a modern languages student and was now working for the League of Nations Union. They adored each other and, despite the sadness of childlessness after two miscarriages, they lived in great happiness until Nell's death in 1972. She not only provided the ministrations that enabled George to concentrate on his scholarship; she was also a devoted helper in his research, indexer and proof-reader. Most of his books were dedicated to her or 'in memoriam Eleanorae conjugis amantissimae'.

Nevertheless Hull itself was the only University where he worked for which George retained little affection. It was then very small, lacking the 'hum' of his other posts, and despite the companionship

of, for example, his old Birmingham friend Eric Roll and his wife and new friends such as the Alister Hardys, he felt constricted. However, in 1930 he greatly enjoyed an interlude when he served briefly as economic adviser to Lloyd George, working at the latter's London headquarters with Seebohm Rowntree on Liberal Party plans for reducing structural unemployment, which was then rising rapidly. It was George's task to go round universities seeking advice on practical remedies from some of the most distinguished professional economists of the time. He found it an interesting, but profoundly disillusioning, experience, which much later<sup>70</sup> he recorded trenchantly and impartially and inevitably with an eye to policy disagreements among economists in crises after the Second World War.

In his last year at Hull George published *British Industries and Their Organisation*, which was to have five editions, the last in 1970, and in addition nine new impressions, some with alterations. Over the years he discussed new problems and new policies and he extended the range of industries covered. Although in the post-war editions little was left of the original book, all of them retained the sections of historical background which George regarded as essential to understanding. For forty years or so the book was the most valuable of its kind then available—indeed indispensable. Sydney Checkland (briefly a young colleague on George's staff at Liverpool after the Second World War) suggests that in retrospect one of the great difficulties for the early editions was data gathering, which could not then be done on anything like the scale that is now commonplace. He believes that nevertheless George's perceptions, based on what he dug up single-handed, have not been falsified. Knowing that the course of economic development 'is strewn with the ruins of once-great industries and with the ashes of what to contemporaries seemed enduring problems' George eschewed prediction.

In 1933 George left Hull for the Brunner Chair of Economic Science at Liverpool. He felt deep affection for the University and the unbombed city, and he and Nell had a wide circle of friends covering many professions and interests. Their gift for personal friendships to lives' ends was apparent in Liverpool as in their friendships from school, Birmingham, and Japan, all of them maintained by impeccable habits of correspondence on all sides. They lived in a small house but—1930s style—with a living-in maid. When Austria was invaded in 1938 they welcomed into their home a Jewish refugee girl, Lotte, and a friend remembers their skill and sense in never trying to make her the child they



never had. They kept in close touch with her after her return to Vienna, enjoying her gay exuberance, and it was a bitter blow to George in his widowerhood when she died suddenly in 1978.

The war took George and Nell to the Board of Trade, first in London, then Bournemouth, then in London again (when Nell left the Board to do war translation work). George was quickly immersed in the problems of pushing resources out of civilian, and into war, production—first through the limitation of supplies orders and then through concentration of production. He was a very effective civil servant. Moreover, this work, dealing with the intricacies of many industries ranging from cotton to perambulators and retail trade, greatly increased his knowledge of industry and industrialists, including the minutiae of such matters as price arrangements, factory premises and machinery, which he had acquired in writing his books on British industry in the 1930s.

Already in 1942 work began in the Board of Trade on post-war reconstruction and from early 1943 this became George's main preoccupation.\* He was involved in many detailed problems of reconverting industry from war purposes to peace, but above all he saw the opportunity to change the monopolistic and restrictive attitude which had been characteristic of pre-war British industry, and which had been supported by the Courts, the Government and public opinion. He had been especially depressed in the Board of Trade by the attitudes not only of the firms he dealt with but of the civil servants and their industrial advisors, the 'Business Members'. Indeed, before George became involved in reconstruction, they had been strongly urging that the Government should encourage the trend towards industrial combinations with compulsory Industrial Councils, which would negotiate with Government and regulate entry, capacity, prices, and exports. Hugh Dalton as President of the Board of Trade had, however, been unsympathetic and this extreme proposal had lapsed. Elsewhere within the Government, discussions about post-war external commercial policy tended to assume that international cartels would rise again from the ashes of war.

When George, an Assistant Secretary, became involved in these issues he was at once in strong disagreement with Alix Kilroy, his Principal Assistant Secretary,† who believed that trade

\* I was working on post-war reconstruction in George's section at this time, but I owe the account of the evolution of policy on monopolies to J. D. Gribbin of the Monopolies and Mergers Commission.

† The equivalent of the current grade of Under Secretary.

associations might be efficient and price reducing, and should be both encouraged but controlled to prevent monopolistic abuse. George emphasized two points. One was: 'If we want to maintain private enterprise over some part of the economic field . . . it can only be justified if it is competitive private enterprise.' Secondly, 'I hold the view that an expansionist cartel is an illusion and that monopolies of all kinds are certain to follow policies contrary to the policies of expansion, full employment and free international trade which we are trying to get accepted.'

A small group of dissidents then took the initiative: George, Hugh Gaitskell, Ruth Cohen, and Grace Coleman (temporary Board of Trade officials), W. Hughes and C. K. Hobson (permanent Board of Trade officials), and James Meade from the Economic Section of the Cabinet Office, who was deeply involved with wider commercial policy proposals.

A major paper—'The Control of Monopoly'—was produced: George drafted Part I, setting out the descriptive background and policy proposals, and Gaitskell drafted Part II on control of monopoly pricing and Part III with proposals for government machinery to implement the policy. The paper put the economic analysis of monopoly within the Keynesian framework which was now being accepted as the basis for achieving post-war full employment; failure to control monopoly was demonstrated to be incompatible with a full employment policy. Detailed proposals aimed at two objectives: to prevent restrictive agreements among firms, and to control giant firms with market power. There should be a new Statutory Commission on Restrictive Practices to investigate cartels and dominant firms and to make recommendations.

There was disagreement between the Board of Trade permanent civil servants (except for Hughes and Hobson) and 'the economists', and Dalton did not accept the Allen-Gaitskell proposals that restrictive agreements be declared illegal and only licensed in exceptional circumstances. The appropriate Ministerial Committee followed this advice. The 1944 White Paper *Employment Policy* saved the day, however, for it promised that the Government would take powers to inform themselves about restrictive agreements and combines and to check practices that worked to the detriment of the country. Legislation was to be drafted for a Restrictive Practices Commission to which references would be made by the Board of Trade.\* George himself wrote

\* Following the October 1943 discussions in Washington on the implementation of Article VII of the Mutual Aid Agreement, George was asked to

later: 'Had it not been for this association of the full employment policy with anti-monopoly measures, it is doubtful if the resistance to change would have been overcome.'\* In the event it was not until 1948 that the Labour Government introduced the legislation which established the Monopolies and Restrictive Practices Commission.

George was a member of the Monopolies Commission for twelve years from the time it was established—the legal maximum period. The Commission could only examine the economic effects of an individual industry's practices and make recommendations to remedy ill effects. However, George was a member of the group which wrote the General Report on Collective Discrimination which led to the Restrictive Trade Practices Act of 1956.† This did what George and Gaitskell had advocated thirteen years earlier: it required the registration of cartel agreements and embodied the presumption that they were against the public interest unless the parties could convince the Restrictive Practices Court to the contrary. George's own book on *Monopoly and Restrictive Practices*<sup>10</sup> is an excellent account of the subject.

Mr Gribbin, who in the 1970s studied the history of the monopolies legislation and the Commission from the official files, wrote that it was 'really incredible' that within the space of ten to twelve years a major attack on cartels was launched and successfully carried through and that no other national legislation had been as effective as the British. He was convinced that this was because such solid empirical foundation had been laid for development of policy and that George had played a major part in this.‡

George's work for the war and post-war reconstruction ended earlier than that of other senior temporary civil servants. By 1944 Liverpool University was so denuded of senior staff that the Vice-Chancellor asked for his release. He returned in June and after he and Nell had settled back he completed his *Short Economic History of Japan*.<sup>6</sup> However, in the event, the duality of his interests—in British industry and industrial policy on the one hand and Japan on the other—extended to his Civil Service experience. For in the

initiate a detailed study of international and internal cartels. This was published in two volumes by the Department of Trade in 1976. Mr Gribbin calls it 'probably the most accurate summary of the organisation and scope of the major international and internal cartels as they were at the outbreak of war'.

\* *Monopoly and Restrictive Practices*.<sup>10</sup>

† Information from Mr Gribbin.

‡ Information to the author of this memoir.

late summer of 1945, with Japan's sudden capitulation after the atomic bombs were dropped, he was drawn back to Whitehall for six hectic months.\* He took lodgings in Earls Court and Nell remained in Liverpool.

A Far Eastern Commission had been set up in Washington, on which eleven Allied Powers were represented, to formulate policy towards Japan during the Occupation. George was put in charge of the Japanese section of the Economic and Industrial Planning Staff which was created in the Foreign Office to brief Sir George Sansom, the British representative on the Commission. He also presided over an interdepartmental committee which considered the first drafts of the briefs, which then went to an Official Committee chaired by a secretary to the Cabinet and thence to a Cabinet Committee chaired by Bevin as Foreign Secretary. George attended all these committees and was indispensable, for there was then little knowledge of Japanese economic affairs in Whitehall apart from Sansom's.

George admired Hall-Patch, his immediate superior, but found the officials on the Japanese work mostly unimpressive; the best EIPS staff were presumably preoccupied with the more pressing problems of Germany. But, he said, the Ministers—notably Bevin and Cripps—were very sensible and far-sighted. Officials and businessmen were deeply pessimistic about Japan's prospects and many remained so as late as the mid 1950s. Because her economic prospects were thought to be so bleak and there was fear that she might sink into chaos and despair which would be fatal to stability in the Far East, British policy was liberal. Nevertheless George noted with his wry amusement the sectional interests at work and recalled the extreme suggestion of a senior Treasury official that the Japanese mercantile marine should be limited to the use of sailing ships, partly on the grounds of their beneficial moral effects on those who would man them. George's own optimism about Japan's economic prospects, based on his twenty years' knowledge of the country, was almost unique. His efforts certainly left their mark. Bevin himself wrote George a warm personal letter of thanks when he left and it seems from George's correspondence with Nell that George was a Foreign Office nominee for consideration as a deputy to Trygvie Lie, the Secretary-General of the new United Nations. However, nothing came of this.

\* See publication reference 71 for George's account of this experience. A full study of it would be an interesting research topic which might well find George's contribution as great as Gribbin has found his contribution to monopoly policy.

In mid-1946, after the years of absence, the Allens happily contemplated staying permanently in Liverpool. But very soon George was invited to the Jevons Chair of Political Economy at University College London which he felt he could not refuse. He went there in 1947 and, despite invitations to other posts such as vice-chancellorships at home and abroad, he remained until retirement twenty years later. He commuted from a much-loved house in Cobham, Surrey, with its own copse and stream. The University College economics department was very small—forty students or so in each year of the post-war decade—compared with that of its large neighbour, the London School of Economics. Students could have the best of both worlds: their own excellent teaching and friendly staff-student relationships together with the LSE facilities. In 1951 the department obtained half the first-class degrees in economics in the University of London and of these the top two in the whole B.Sc. Econ. degree.\* He was always closely interested in his young colleagues and his students, and, as one staff member said, George breathed over the department his own spirit of liberal and tolerant enquiry. He was, said a colleague, an eminently reasonable man, equable, balanced, and temperate ('On all topics except Hugh Dalton' added the colleague). He trusted those working under him and let them get on with their jobs without demanding quick results. The annual summer departmental party at the Allens' home added to the familial feeling. Meanwhile George greatly enjoyed his association with the other disciplines in the College.

George organized his time very carefully between his teaching, administration, research, and outside commitments to learned bodies (he was President of the Economics Section of the British Association in 1950) and to public service. The last of this list included not only the Monopolies Commission and the Central Price Regulation Committee but for example the Building Industry Working Party just after the war, the Elstob Inquiry into the Aircraft Industry and the planning committee of the new University of Ulster. A close friend wrote of his 'built-in categorical imperative'—an extraordinary degree of discipline and devotion to duties, even when entirely self-imposed and without any outside pressures or obligations, making it quite unthinkable that he would ever leave any task unfinished.

From 1938 the new books he wrote were mainly about Japan and the Far East. The exceptions were his book on monopoly and

\* I have not analysed the figures for George's twenty-year period.

his short book, *The Structure of Industry: A Study in Economic Change*.<sup>8</sup> This, based on his lectures at University College, is an analytical distillation of his studies of British industry. His list of pamphlets, articles, and papers, however, shows a rough balance between his interests in Britain and Japan. Before the Second World War the economics of the two countries were so different as to preclude useful comparative study, but this is an important feature of his later articles, where the relative performance of the two economies became a major question for concern and reflection. George's intimate knowledge of Japanese affairs over sixty years has been an important asset in a country which had taken little interest in them until 'the Japanese miracle' became of major interest. Indeed, it is sad that this major expertise was such an esoteric subject for so long that it did not enter into George's routine teaching. He was, however, most valuable to the School of Oriental and African Studies.

What kind of economist was George? He was only concerned with the real world and then because he believed in material progress as a way to a fuller life for a greater number of people. He had no interest at all in economics as a form of mental gymnastics and deeply regretted that in his last years so many economic journals were full of articles that were not only mathematically inaccessible to him but appeared to be esoteric exercises. He was still concerned above all with the dynamics of economic change and understood that economic values and policies were inseparable from social and political values and policies. He was interested in welfare both in its broadest sense and in a more practical social welfare sense. He knew the Cadburys and Seebohm Rowntree well and admired greatly his own Liverpool colleague Caradog Jones who devoted his life latterly to those at the bottom of the social heap. His range of concern and interest was very wide, both in time, through his attachment to history, and place, through his study of different countries. He was also cautious about the future. 'Our present gods may fail us', he wrote in 1960, and quoted F. H. Knight's words: 'The most vital problems are not problems of economy but of maintaining social unity in the face of economic interests' and, added George, 'of massive technical changes.'

It is unfortunate that for many people George's best-known work was his most useful but descriptive *British Industries and Their Organisation* with its long life and many editions, for he was in consequence sometimes undervalued by those who did not know his great range (albeit he became a CBE in 1958 and a Fellow of

the British Academy in 1965 when he was 65). He was well read in theory but eclectic and essentially non-partisan: he was steeped in the classical economists and also found illumination in such disparate economists as Keynes, Robertson, Pigou, Robbins, and Dobb. His enduring favourites were the great classical economists and Joseph Schumpeter. His clear disapproval was confined to those who, he thought, were guilty of poor analysis; he could not restrain himself, for this reason, from writing strong criticism of Galbraith's *New Industrial State*.<sup>22, 69</sup>

Partly because George was an active and founder-member of the Institute of Economic Affairs he was thought to be essentially 'right-wing' and doctrinally committed to free markets and minimum state intervention. On the contrary, his analysis of Japan's economic success emphasized the beneficial role of government in all kinds of areas, especially education.<sup>72</sup> To him the important question was why state intervention worked so well in Japan and so unhappily in Britain. 'The prevalence of this competitive fury in manufacturing', he wrote of Japan, 'is not derived from any theory of the merits of a free market.' He believed that: 'The British obsession with the conflict of "Private Enterprise versus the State" should be expunged. It is not the extent of government intervention, or the amount of government expenditure on industry that counts; it is the purpose, nature and quality of the intervention that are crucial.' He noted: 'The size of the public sector in Japan is exceptionally small—and its financial record no better than that in Britain—but government intervention, directed primarily towards raising productivity, has been extensive and fruitful.'<sup>74</sup> He believed that much of Japan's success lay in her refusal to bolster up failures and to the incentives given to entrepreneurs for investment in new techniques and product innovations. He gave other reasons: the quality of leadership in government and industry, educational policy, harmonious industrial relations, the absence of collusive agreements between industrialists.

He was more pragmatic than ideological, and the pragmatism was based on very detailed knowledge of such items as the supply of telephone cable to the Post Office in the two countries (inspired by his experience on the Monopolies Commission), and also a detailed knowledge of the different education and trade union systems of the two countries. He was above all concerned with the causes and manifestations of industrial policy and innovation and he made a brilliant contribution to a conference on this subject in 1980—the year of his eightieth birthday.<sup>74</sup> He was also concerned

to remove illusions that Japan's export success was primarily due to 'unfair' trading practices.<sup>26</sup> In direct political terms he had voted for all three political parties during his life. After the 1979 election he supported the Government principally for the priority it gave to reducing inflation. In 1982—in his last weeks—however, he passionately opposed military action in the Falklands.

George's reputation as an economist was to some extent concealed largely because, for forty years or so from the mid-1930s, the majority of applied economists were preoccupied with macro-economic problems—with aggregate demand and policies by which economic progress can be promoted, or fluctuations in employment and income avoided, by the use of fiscal and monetary instruments available to the Government. He accepted the importance of such inquiries but regretted that this concentration had led to a comparative neglect of micro-economics in the two decades after the Second World War. This, he thought, had led to the presumption that the economy would flourish if only the authorities were competent in the application of the 'right' fiscal, monetary, and investment policies. Only in 1968 when the Brookings Institution\* reported on the British economy did George's view of the economy, and the importance of institutional and social attitudes, become respectable. The 'British disease' became a popular subject and his own pamphlet of 1979<sup>25</sup> under this title pushed him into the headlines.

George moved happily between his different milieus, whether in Britain or Japan, helped by his natural courtesy and interest in people of every level and background. He was a notably cheerful person with a great sense of humour and a ready laugh which nevertheless concealed a certain reserve. Nell shared his interests and brought George to share her own delight in painting (although he never reached her standards). When he retired from University College in 1967 they paid a long visit together to Japan and the future seemed serene. But in 1969 Nell had an operation for cancer which nevertheless recurred. She died at home in the summer of 1972 with George doing much of the caring.

Nell knew him well enough to say, 'George will be all right'. Shattered though he was, and thinking of Nell perpetually as he did, his inner resilience kept him writing (as his publication list shows), travelling, playing his part in academic institutions. In 1975 he moved to a retirement flat at Ritchie Court, Oxford. The move was fortunate, for St Antony's College welcomed him as an

\* R. E. Caves and Associates, *Britain's Economic Prospects* (1968).



honorary fellow and he was 'in on' the foundation of the new Nissan Institute for Japanese Studies attached to the College. Many old friends (including Japanese) and many researchers on the many subjects he had dealt with (from monopoly to specific industries) visited him. He made many new friends and was a great asset in the administration of Ritchie Court. In 1982 he was feverishly writing *Appointment in Japan* when minor symptoms of ill health appeared which turned out to be cancer. He was ill for only five weeks and worked except for the last few days. When he died the final pages of his book recalling Japan lay, almost illegible but beautifully composed, on his study floor. The built-in categorical imperative survived to the end.

I am especially grateful for the help in writing this memoir given especially by Mr Gribbin and also by Mrs Mary Averill, Mr Howard Blanks, the late Dr Gerda Blau, Professor Sydney Checkland, Dr Audrey Donnithorne, Sir Douglas Hague, Lord Roll, Mr Takashima and other members of the Nagoya alumni.

MARGARET GOWING

*Note.* George Allen's papers are deposited in the Library of University College London.

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